

The Weather

Today—Sunny, high near 90, low near 70. The chance of precipitation near zero today and tonight. Monday—Mostly sunny, high near 90. Yesterday's temperature range was from 65 to 71. Details on Page B7.

The Washington Post

Index

298 Pages
17 Sections
Amusements E1
Books E2
Classified D15
Editorials C6
Financial F1
Gardens K1
Living B1
Metro B1
Obituaries D1
Sports H1
Style G1
Travel G1

Detailed Index, Page A2

Higher broad Metropolitan area
See Box A2

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Colby Explains 'Missteps' of the CIA

By George Lardner Jr.
Washington Post Staff Writer

The Central Intelligence Agency conducted a hurried, cursory check of CIA misdeeds in the wake of the Watergate scandal, failed to tell the White House of its findings and destroyed some of the records of its illegal activities.

CIA Director William E. Colby said he ordered the destruction of various CIA files in 1973 but said he regarded it as a routine step at the time. "Even before 1973, prior to that time," Colby said, "people had been turning up collections of files that we really had no business owning. This is a natural process of any bureaucracy."

Now, with the benefit of hindsight, Colby said he recognizes that he should have reported the missteps to the Justice Department, that the old standards which made the CIA virtually sacrosanct have slipped away.

The CIA director discussed these matters in an hour-long interview in his 7th-floor suite at the agency's headquarters Friday, coupling candid admissions with repeated cautions of concern about the hazards of unacknowledged public exposure.

In Colby's view, there has been too much publicity already. The agency, he insisted, has served the country far better than it realizes.

But Colby acknowledged, too, that even he had no clear idea of the abuses lurking in its past until the investigation by the Rockefeller commission was completed this month. Even more sweeping congressional inquiries lie ahead.

The seeds were planted on May 9, 1972, when then-CIA Director James R. Schlesinger sent a memorandum to all employees calling for immediate reports on any questionable activities.

past or present, that they might know about.

The impetus for the directive came from the Watergate scandal. The 1971 Ellsberg case burglary, which G. Gordon Liddy and E. Howard Hunt Jr. carried out with CIA technical assistance, had just come to light, and Schlesinger said he intended to do all he could "to confine CIA activities to those which fall within a strict interpretation of its legislative charter."

The result, Colby agreed, was a rush job that could not even be called a genuine investigation. The CIA inspector general's office, which handled the assignment, submitted a report just 11 days later, on May 21, 1973.

"It was an accumulation rather than an investigation, if you get the distinction," Colby said. "In other words, the Schlesinger memo went to all employees. Well, the first employees it went to was the command line.

And the command line basically reported what it heard down through the regular hierarchy: what do you know, what do you know, what do you know. And that was gathered together and given to the inspector general.

"In addition," Colby said, "few employees went to the inspector general with something they remembered. But the inspector general didn't go out and look through every file drawer in the place or anything like that."

The report included a section on assassination plots and schemes. Other portions were just a rehash of old inspector general reports that CIA officials pulled out of their desks, apparently including information on testing LSD on unsuspecting subjects, part of a controversial program that lasted from 1953 to 1963.

The White House was not informed, but not by Colby's account, because of any preoccupation with the Watergate

scandal. The day after Schlesinger wrote his May 9, 1973, memo, President Nixon nominated him to become Secretary of Defense, and Colby, who was then CIA deputy director for covert operations, was named to take over the spy agency.

"This one does embarrass me a bit," Colby said of the failure to notify the White House. "I think what happened, quite frankly, is that it fell between the stools—of Schlesinger's leaving and my taking over. I imagine he thought maybe I was going to take care of the National Security Council [the White House agency which is supposed to supervise the CIA] and I imagine that I thought he was."

The Justice Department also was kept in the dark by virtue of a long-standing agreement, disclosed and denounced by the Rockefeller commis-

See COLBY, A5, Col. 1



WILLIAM E. COLBY

"This one does embarrass me..."

Colby Explains CIA 'Missteps'

COLBY, From A1

sion, to let the CIA decide whether a crime had been committed by its employees or agents and whether security considerations precluded prosecution even when a crime had taken place.

Organized in January with the inspector general's 1973 report as one of its basic primers, the commission concluded this month that the CIA had engaged in "plainly unlawful" conduct — from burglary through bugging to the LSD testing and other activities. But Colby indicated that he never even contemplated going to the Justice Department at the time.

"In retrospect, I would say yes, I should have," the 55-year-old Colby acknowledged. "No question about it, we should have done it."

Colby said he first reached that conclusion "sometime in December" — which was the month that The New York Times disclosed some of the activities recounted in the 1973 report. The CIA director said he realized that month that "I do have an obligation to actually carry down to the Department of Justice and let them make the decision as to whether anything should be prosecuted or not."

After conferring with Schlesinger, "who in a sense did direct me" to go to Capitol Hill, Colby said he briefed both Rep. Lucien Nedzi (D-Mich.) and Sen. John C. Stennis (D-Miss.), the chairmen of the Senate and House subcommittees in charge of CIA oversight, in late May, 1973, on the agency's improprieties. But clearly, Colby agrees now, "that isn't enough."

Now chairman of the special House committee investigating the CIA, Nedzi, who has recently come under fire for taking no action two years ago, "asked a lot of additional questions," Colby recalled, but was apparently satisfied with the answers he got and did not inform his colleagues.

Colby did not characterize Stennis' reaction, but he has long been a stolid defender of the CIA. Apparently both he and Nedzi accepted Colby's assurances that corrective action would be taken.

No follow-up investigation was conducted, including within the CIA, to determine whether any of the activities warranted prosecution, or to find out how extensive they actually were. Repeatedly, Colby emphasized that his mind was on the future, on making sure they didn't happen again.

He said he issued "specific instructions with respect to each of the categories of activities included in the inspector general's report" on Aug. 29, 1973, banning some, laying down strict rules for others and declaring still others permissible.

Concerning the CIA's "following of people around in America," Colby said, for example, he "issued a directive saying 'you won't do that any more' . . . I

frankly didn't care at that point whether it was 20 cases or 40 cases. The fact was there weren't going to be any more."

The Rockefeller commission found more instances of burglary, bugging, and other misdeeds than he was aware of, Colby indicated. Another reason for the escalating statistics, he said, was the fact that he agreed with the commission at the outset that the CIA would not interview former employees — to avoid any suggestion that the agency was trying to influence their testimony.

Consequently, Colby said, "the commission knows more than I do . . . There's a couple of cases, a couple of incidents mentioned [in the commission report] that I didn't know about. I don't challenge the fact that they happened. But they're not in our records."

'I think any less dedicated group of people would have all flown away long ago . . .'

The commission also said in its report that some CIA records had been ordered destroyed in 1973, including 152 separate files on the drug-testing program.

Colby said he had various documents destroyed, and indicated that the drug-testing records were among them.

"We had files around here we shouldn't own, some of these surveillance things and stuff like that," he said, "and I had directed, 'let's get rid of that stuff,' in 1973." Colby recalled that former CIA Director Richard M. Helms took a similar step with tapes he had on leaving the agency in January, 1973.

"He [Helms] said it didn't have anything to do with Watergate, [that] he was just getting rid of all this junk people collect, you know," Colby said.

Asked whether he now felt that the documents he ordered destroyed should have been sent to the Justice Department in 1973 along with the inspector general's findings, Colby paused and said softly, "I guess, maybe. I don't know." Then he added that not all should have gone to Justice, since some of the incidents were rather flimsy, but other documents, he agreed, probably should have been sent over.

The Justice Department is studying the evidence compiled by the Rockefeller commission, concerning both domestic spying and CIA involvement in assassination plots, to determine

whether any prosecutions should be undertaken.

Colby said he was confident that no CIA employees will be indicted because, he said, he feels they were acting under the belief that whatever they did, while perhaps "technically" illegal, was permissible "in the course of their duties."

Among Colby's August, 1973, directives was an order that the "CIA will not engage in assassination nor induce, assist or suggest to others that assassination be employed," but he said an earlier ban had been issued by Helms in March, 1972, three months before the Watergate break-in.

Asked what prompted the Helms edict, Colby said it was issued because of the heavy amount of publicity stemming from Colby's 1971 congressional testimony on Operation Phoenix in South Vietnam, which critics charged relied heavily on torture and assassination.

The 1972 directive, Colby said, was written "just to make clear what his [Helms] policy and my policy were . . . to clarify the records so that it's clear what our policy was."

The Helms order was not widely disseminated, however. Neither the White House, nor congressional overseers were told about it at the time, Colby said. Even the CIA's general counsel in 1972, Lawrence Houston, who is now retired, said he never heard of it until it was publicly disclosed several days ago.

Voicing high praise for the CIA and its employees despite the current furor, Colby said he has no idea when the investigations will end, but made plain that he hopes they will close down as quickly as possible.

"I think any less dedicated group of people would have all flown away long ago, but this is an enormously highly motivated, dedicated, talented group of people," Colby said. "Our intelligence is the best in the world."

Unquestionably, Colby said, the CIA made mistakes, but he called this the result of an old tradition that its work was not supposed to be talked about, a climate that no longer exists.

"If you let any large organization operate without controls and without supervision, it will get in some trouble," Colby said, but even so, he said, "the country's been well served by this agency and I think it will be well served by it in the future, even better."

In any case, Colby said with a grin, he plans to "tear up" a lot more files as soon as investigators are done with them.

Have a bonfire? he was asked.

"Damn right," the CIA director said, pointing out the windows to the closely guarded 219-acre site. "Right out there."

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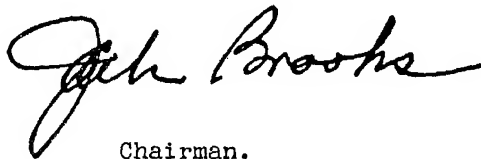
OLC 760559

Honorable George Bush
Director
Central Intelligence Agency
Washington, D. C. 20505

The committee herewith submits to you the enclosed
bill, H.R. 12039, upon which the committee
would appreciate a prompt report, together with such
comment as you may desire to make.

Will you kindly transmit your reply in triplicate.

Respectfully,



Chairman.

Enclosure.

Consumer Notes

Wrong Addresses Keep Thousands From Getting Tax Refunds

By IRVIN MOLOTSKY

Most Americans met the April 15 deadline for filing Federal income tax returns, but if past experience is any indication, thousands of people who are entitled to refunds won't get them.

"The refunds are usually undeliverable because the wrong address is on the forms," said a spokesman for the Internal Revenue Service district office in Brooklyn, which takes in Brooklyn, Queens and Nassau and Suffolk Counties.

However, he was at a loss to guess why there were so many incorrect addresses in his district. At a recent count, 2,086 checks representing last year's refunds and destined for Queens individuals and 3,273 for people in Brooklyn were returned to the government as undeliverable. Their face value was just a bit under \$1 million.

In Nassau County 372 checks were undeliverable and in Suffolk there were 353. Together, they had a face value of \$165,000.

Milton A. Waldman, a spokesman for the Manhattan district, said, "Returned checks are almost traditional. The number may vary, but it happens every year."

Here are recent figures for returned checks in the Manhattan district: 4,265 checks in Manhattan and 2,131 in the Bronx with a combined face value of nearly \$1.5 million; 110 checks sent to Staten Islanders with a value of \$25,000; 106 checks worth \$33,000 sent to Rockland County residents and 426 checks worth \$119,000 sent

to Westchester County residents.

A similar situation had existed in New Jersey until a sizable dent was made in the backlog because that state has many medium-sized newspapers that serve limited areas, and the Internal Revenue Service has found that many people respond when local papers carry lists of taxpayers in their communities entitled to refunds.

A recent compilation showed that 900 checks destined for Essex County residents and worth \$8,113 had been returned undelivered, as were 825 checks worth \$5,433 in Passaic, Bergen and Morris Counties combined, 700 worth \$2,862 in Hudson, 170 worth \$614 in Middlesex, 300 worth \$1,585 in Union and 120 worth \$2,863 in Monmouth.

For the country as a whole, as of last summer, 89,000 checks worth \$25 million had been returned to the Government as undeliverable. People who think they should have received refunds last year but did not should call the Internal Revenue Service in their areas.

Those who have moved since filing can call the office with jurisdiction for their old addresses without charge by using the list of toll-free numbers available in I.R.S. pamphlets, including Publication 17, "Your Federal Income Tax."